



General Assembly

February Session, 2008

Raised Bill No. 657

LCO No. 3108

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING A TAXPAYER RELIEF PLAN.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) For purposes of this section, an
2 "eligible individual" means a resident of this state who filed a final
3 resident income tax return with the Commissioner of Revenue Services
4 for the taxable year commencing January 1, 2007.

5 (b) Within available appropriations, each eligible individual shall be
6 entitled to a tax rebate in the following amount:

7 (1) For any eligible individual who filed a return under the state
8 income tax for the taxable year commencing January 1, 2007, as an
9 unmarried individual:

T1	Connecticut Taxable Income	Rebate Amount
T2	Up to and including \$13,250	\$155
T3	Over \$13,250 but not over \$26,500	\$120
T4	Over \$26,500 but not over \$42,500	\$100

10 (2) For any eligible individual who filed a return under the state
11 income tax for the taxable year commencing January 1, 2007, as a
12 married individual filing separately:

T5	Connecticut Taxable Income	Rebate Amount
T6	Up to and including \$12,500	\$145
T7	Over \$12,500 but not over \$25,000	\$80
T8	Over \$25,000 but not over \$40,000	\$50

13 (3) For any eligible individual who filed a return under the state
 14 income tax for the taxable year commencing January 1, 2007, as a head
 15 of household:

T9	Connecticut Taxable Income	Rebate Amount
T10	Up to and including \$19,750	\$230
T11	Over \$19,750 but not over \$39,500	\$120
T12	Over \$39,500 but not over \$63,000	\$100

16 (4) For any eligible individuals who filed a return under the state
 17 income tax for the taxable year commencing January 1, 2007, as
 18 married individuals filing jointly:

T13	Connecticut Taxable Income	Rebate Amount
T14	Up to and including \$25,000	\$290
T15	Over \$25,000 but not over \$50,000	\$160
T16	Over \$50,000 but not over \$80,000	\$100

19 (c) The Commissioner of Revenue Services shall notify the State
 20 Comptroller of the names and addresses of the eligible individuals for
 21 the tax rebate provided pursuant to this section, and the State
 22 Comptroller shall draw an order on the State Treasurer in the amount
 23 thereof for payment to the eligible individuals.

24 (d) The tax rebate paid out pursuant to this section shall be subject
 25 to the provisions for set-off as provided in sections 12-739 and 12-742
 26 of the 2008 supplement to the general statutes.

27 Sec. 2. (*Effective from passage*) Provided unappropriated funds in
 28 excess of one hundred million dollars are in the General Fund as of
 29 June 30, 2008, an amount equal to eighty per cent of such
 30 unappropriated funds are appropriated to the State Treasurer, from
 31 the General Fund, for the fiscal year ending June 30, 2008, for the

32 purpose of carrying out section 1 of this act.

33 Sec. 3. (*Effective July 1, 2008, and applicable to the taxable year commencing*
 34 *on January 1, 2008*) Any person who qualifies for and claims the earned
 35 income credit allowable under Section 32 of the Internal Revenue Code
 36 of 1986, or any subsequent corresponding internal revenue code of the
 37 United States, as from time to time amended, for the taxable year
 38 commencing January 1, 2008, shall be entitled to a credit in determining
 39 the amount of tax liability under chapter 229 of the general statutes for
 40 such taxable year. The credit allowed under this section shall equal
 41 twenty per cent of the credit allowed under Section 32 of said Internal
 42 Revenue Code for the taxable year. If the amount of the credit allowed
 43 under this section exceeds the taxpayer's liability, the Commissioner of
 44 Revenue Services shall treat such excess as an overpayment and shall
 45 pay the taxpayer the amount of such excess, without interest.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2008, and applicable to the taxable year commencing on January 1, 2008</i>	New section

Statement of Purpose:

To provide relief for the residents of Connecticut through tax credits and rebates.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]